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CHINA SEEKS TO PENETRATE U.S. INTELLIGENCE, FBI AGENT SAYS

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ALEXANDRIA, VA

China has given top priority to obtaining U.S. intelligence despite warmer relations with Washington, a federal agent told a spy trial today.

Penetration of U.S. intelligence and counterintelligence is a very important goal to the Chinese," said FBI agent Michael Henry. "It's well documented."

Henry, who specializes in tracking Chinese espionage activities, testified at the trial of Larry Wu-Tai Chin, a retired CIA analyst accused of spying for China since 1952.

While most of China's intelligence-gathering has been directed against neighboring countries such as the Soviet Union, India, Pakistan and Vietnam, it also seeks information from Western countries including the United States, he said.

Chin's alleged spying, which has sparked a strongly worded diplomatic protest from the State Department, was the first U.S. espionage case involving China, FBI officials had said.

China has denied any connection with Chin.

While Henry was able to give a detailed overview about China's intelligence-gathering activities, he admitted that he was not specifically involved in the Chin investigation.

The FBI agent said the Chinese use a wide range of inducements to recruit spies, including money, ideology, appeals to patriotism, and promises of preferential treatment for relatives living in China.

Government prosecutors charged that Chin admitted receiving at least \$140,000, and that the total payments may have exceeded \$1 million for the classified documents.

They accused Chin of using the money to acquire vast real estate properties in the United States and to pay off gambling debts in Las Vegas.

Chin, a 63-year-old naturalized U.S. citizen who was born in Peking, has pleaded innocent to a 17-count indictment charging him with spying, conspiracy, tax evasion and failure to disclose foreign bank accounts.

Chin was charged with providing China valuable secrets starting with information about Chinese prisoners of war during the Korean War and continuing through the Vietnam War and the normalization of relations between the two countries in the late 1970s.

Defense attorneys acknowledged that Chin passed documents to Chinese intelligence officers but said he was acting to help bring about normalized relations.

They told the 12-member jury that Chin wanted a faction led by former Premier Chou En-Lai to prevail over former Communist Party leader Mao Tse-Tung in restoring relations.

Another witness, Cyril Braegelmann of the CIA, testified that Chin would be able to smuggle out classified documents by carrying them in his briefcase or his pockets. They worked

in the CIA's office that monitored and translated foreign broadcasts.

During the trial Chin has sat expressionless with his wife and children sitting behind him in the first row of the crowded court room.

If convicted on all charges he faces a maximum penalty of life imprisonment and fines totalling more than \$2.5 million.